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**FISCAL IMPACT STATEMENT**

**LS 6340**

**BILL NUMBER:** SB 122

**NOTE PREPARED:** Nov 27, 2007

**BILL AMENDED:**

**SUBJECT:** Coverage for Stereotactic Radiotherapy.

**FIRST AUTHOR:** Sen. Dillon

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** The bill requires a state employee health benefit plan, a policy of accident and sickness insurance, and a health maintenance organization contract to provide coverage for stereotactic radiotherapy.

(The introduced version of this bill was prepared by the Health Finance Commission.)

**Effective Date:** July 1, 2008.

**Explanation of State Expenditures:** For 2008, the state will provide health insurance coverage through two carriers: Anthem and Welborn. With respect to Anthem, there would be no pricing impact to provide coverage for stereotactic radiotherapy where medically necessary. With respect to Welborn, there would be no rate adjustment because stereotactic radiotherapy is already covered.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** To the extent that the provisions of the bill could influence the cost of employee health care benefits, costs to local governments and school corporations could be affected.

School corporations and local governments purchasing health benefit coverage on their own could see a change in premiums. The specific impact is indeterminable, but would depend on current health care coverage. If there is a cost, it is unknown if local units would absorb this cost or pass the cost on to employees, as cost sharing of health benefit premiums varies widely by locality.

Local government groups enrolled in the Local Unit Government Employees (LUG) health plan would not experience an increase in costs. LUG participants have the same benefits as state employees, but are part of a separate risk pool. Currently, 38 local units participate in LUG with 232 covered lives.

**Explanation of Local Revenues:**

**State Agencies Affected:** State Personnel Department.

**Local Agencies Affected:** School corporations and local governments.

**Information Sources:** State Personnel Department.

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